NUEXCO

EXECUTIVE SUMMARY
REPORT 201
(All data as of April 30, 1985)

Exchange Value
$14.25, down $0.75

The **Exchange Value** is **$14.25** per pound U_3O_8, down $0.75 since last month. Five recent natural uranium sales are reported, involving approximately 1.7 million pounds U_3O_8 equivalent. All involved delivery prior to 1986, and four met the conditions for inclusion in the Transaction Value. Two involved natural UF_6.

UF_6 Value
$40.50

This month Nuexco begins publishing a value for natural UF_6. The **UF_6 Value** is **$40.50** per kilogram U in UF_6.

Supply-Demand Ratio
rose to 2.0:1

Active spot and near-term **uranium supply** amounts to **2.7 million** pounds U_3O_8 equivalent, down 1.5 million pounds since last month. Active spot and near-term **uranium demand** totals **1.4 million** pounds, down 2.7 million pounds. The spot and near-term **supply-demand ratio** rose to **2.0:1.**

Transaction Value
fell to $14.90

The **Transaction Value** is **$14.90** per pound U_3O_8, down $0.15 since last month. The calculation includes 20 transactions involving a total of 2.9 million pounds U_3O_8 and equivalent UF_6, and covers a period of 3 months.

Loan Use Charge Rate
unchanged at 5%

The **Loan Use Charge Rate** is **5 percent** per annum, unchanged.

Conversion Value
rose to $1.50

The **Conversion Value** is **$1.50** per pound U as UF_6, up $0.50 since last month. Active secondary market supply for conversion services for delivery within three years totals 550 thousand pounds U as UF_6. Active demand totals 290 thousand pounds U as UF_6.

SWU Values:
$95 for DOE-origin
for delivery by
the end of FY86
$80 for non-DOE origin
calendar year 1985
$85 for calendar year 1986

The **SWU Values** for DOE origin at .3 tails and certifiable as excess, are **$95** per SWU for delivery by the end of FY86. SWU Values for other SWUs (non-DOE or non-certifiable) are **$80** per SWU for calendar year 1985 delivery, and **$85** per SWU for calendar year 1986 delivery. One secondary market SWU transaction is reported, involving less than 50 thousand SWUs of DOE origin.

Basic Considerations

The AVLIS technology for uranium enrichment soon may be chosen as DOE's future enrichment method. The process utilizes lasers to separate the uranium isotopes, and could result in lower-cost separative work in the USA.

South Africa

First-quarter production results from Chamber of Mines producers have been released. The closure of two mines in late 1984 contributed to a slightly lower output.

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NUEXCO REPORT 201 FIGURES OF THE MONTH (April 30, 1985)	This Month (Report 201)	Last Month (Report 200)	12 Months Ago (Report 189)
Exchange Value[1]	14.25	15.00	17.75
Transaction Value[1]	14.90	15.05	17.90
UF_6 Value[2]	40.50	—	—
Loan Use Charge Rate[3]	5%	5%	6%
Conversion Value[4]	1.50	1.00	0.80
Near-Term Uranium Supply[5]	2.7	4.3	7.4
Near-Term Uranium Demand[6]	1.4	4.1	3.4
Near-Term Supply-Demand Ratio	2.0	1.0	2.2
Recent Uranium Sales:			
Number of Transactions[7]	5	11	0
Quantity of Material[8]	1.7	2.1	—
Nuexco SWU Values:[9]			
DOE origin, certifiable as excess, 0.3 tails assay; delivery before the end of FY86	95	—	—
Other SWUs (non-DOE or non-certifiable)			
1985 delivery	80	80	80
1986 delivery	85	85	—
USDOE SWU Prices:			
USEC	135.00	135.00	135.00
AFC	153.00[10]	153.00[10]	153.00[10]
Requirements	157.00[10]	157.00[10]	157.00[10]
Market Value of Enriched UF_6[11 12]:			
2.5 w/o U^{235}	458	471	556
3.0 w/o U^{235}	592	608	716
3.5 w/o U^{235}	728	748	879
4.0 w/o U^{235}	866	890	1,045

[1] US $ per pound U_3O_8 equivalent.
[2] US $ per kilogram U as UF_6.
[3] Per annum.
[4] US $ per pound U as UF_6.
[5] Active inquiries to sell, for delivery within 12 months after contract signing (millions of pounds U_3O_8).
[6] Active inquiries to purchase, for delivery within 12 months after contract signing (millions of pounds U_3O_8).
[7] Uranium sales only; does not include loans, conversion, or SWU transactions.
[8] Millions of pounds U_3O_8, equivalent.
[9] US $ per SWU.
[10] Effective 10/1/84.
[11] Calculated using the Nuexco Exchange Value, Conversion Value, and 0.30 percent tails assay. From 10/31/83 through 2/29/84, calculations used the Nuexco SWU Value for DOE origin and FY84 delivery. As of 3/31/84, calculations use the Nuexco SWU Value for DOE origin and FY85 delivery.
[12] US $ per KgU as UF_6, rounded to the nearest $.

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